



WORKFORCE OBSERVATIONS

State of Wisconsin
Department of Workforce Development
Office of Economic Advisors

FOR WEST CENTRAL WISCONSIN COUNTIES

BARRON, CHIPPEWA, CLARK, DUNN, EAU CLAIRE, PEPIN, PIERCE, POLK, ST. CROIX

January 2004

Unemployment rates climbing but not as high as one year ago

The seasonally adjusted unemployment rate for the Eau Claire-Chippewa metropolitan statistical area (MSA) increased from November to December but remains well below state and national unemployment rates. The December unemployment rate for the metro area increased from 4.5 percent in November to 4.8 percent in December. Even though the national unemployment rate declined to 5.7

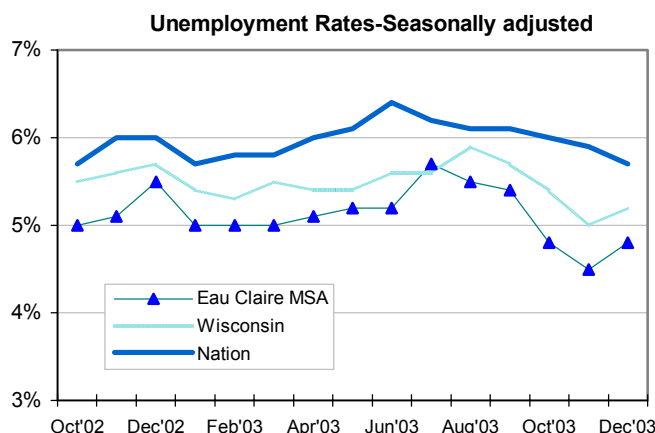
percent over the same period the local rate is nearly a full percentage point lower. The state of Wisconsin unemployment rate also increased from 5.0 percent in November to 5.2 percent in December.

A lower unemployment rate is no consolation, however, if you're a worker in the metro area who has been laid off in the last year. A peak at the unadjusted numbers for the

counties of Eau Claire and Chippewa shows that a higher share of those laid off were residents of Chippewa County. There, the December unemployment rate escalated to 6.1 percent from 4.5 percent in November. In Eau Claire County the rate increased to 3.8 percent in December from 3.6 percent in November.

Chippewa County has a higher share of manufacturing employment and in the last few years, manufacturing employers have reduced payroll more than employers from other industries have. In the last twelve months the number of manufacturing jobs in the MSA declined from 11,300 in December 2002 to the current estimate of 10,200. That slide began in 1999 when manufacturing employment totaled 13,400 in December. In the last three months of 2003 manufacturing employment has waffled between 10,100 and 10,200 jobs, adding 100 in the last month.

Job losses in December were not in manufacturing, however. Construction employers cut 200 jobs in December, as did employers



	Oct '02	Nov '02	Dec '02	Oct '03	Nov '03	Dec '03
Eau Claire MSA	5.0%	5.1%	5.5%	4.8%	4.5%	4.8%
Wisconsin	5.5%	5.6%	5.7%	5.4%	5.0%	5.2%
Nation	5.7%	6.0%	6.0%	6.0%	5.9%	5.7%

Civilian Labor Force Estimates for West Central Wisconsin counties: December 2003

	Barron			Chippewa			Clark			Dunn			Eau Claire Co.		
	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02
Labor force	25,202	25,156	24,051	32,180	31,695	31,571	16,147	16,155	15,435	23,837	23,872	23,254	54,779	54,743	53,613
Employed	23,602	23,833	22,542	30,205	30,257	29,388	15,102	15,340	14,308	22,866	23,137	22,159	52,695	52,784	51,268
Unemployed	1,600	1,323	1,509	1,975	1,438	2,183	1,045	815	1,127	971	735	1,095	2,084	1,959	2,345
% unemployed	6.3	5.3	6.3	6.1	4.5	6.9	6.5	5.0	7.3	4.1	3.1	4.7	3.8	3.6	4.4
	Pepin			Pierce			Polk			St. Croix			West Central region		
	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02
Labor force	3,364	3,442	3,247	21,508	21,277	21,192	24,068	23,791	23,678	37,752	37,481	37,614	238,837	237,612	233,655
Employed	3,162	3,312	3,046	20,470	20,488	20,068	22,543	22,618	21,932	35,483	35,515	34,787	226,128	227,284	219,498
Unemployed	202	130	201	1,038	789	1,124	1,525	1,173	1,746	2,269	1,966	2,827	12,709	10,328	14,157
% unemployed	6.0	3.8	6.2	4.8	3.7	5.3	6.3	4.9	7.4	6.0	5.2	7.5	5.3	4.3	6.1

* not seasonally adjusted

Industry Employment Estimates for West Central Wisconsin: December 2003

(Employment in thousands)	Barron			Clark			Dunn			Pepin		
	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02
Total Nonfarm	22.0	22.1	21.6	10.1	10.1	9.8	16.4	16.6	16.4	2.3	2.4	2.3
Const/Min'g/Nat. Resources	0.7	0.8	0.7	0.5	0.6	0.5	0.6	0.7	0.6	0.2	0.2	0.2
Manufacturing	6.1	6.1	6.2	2.6	2.6	2.6	2.2	2.2	2.2	0.2	0.2	0.2
Trade	3.6	3.5	3.5	1.5	1.5	1.4	2.7	2.7	2.4	0.5	0.5	0.5
Transportation & Utilities	0.5	0.5	0.5	0.4	0.4	0.4	1.7	1.7	1.7	0.1	0.1	0.1
Financial Activities	0.6	0.6	0.5	0.3	0.3	0.3	0.5	0.5	0.4	0.1	0.1	0.1
Education & Health Services	2.3	2.3	2.2	1.1	1.1	1.1	1.4	1.4	1.3	0.3	0.3	0.3
Leisure & Hospitality	1.8	1.8	1.9	0.8	0.8	0.7	1.6	1.6	1.5	0.3	0.4	0.3
Info/Prof. & Bus.Serv./Other	1.6	1.7	1.6	0.7	0.6	0.6	1.3	1.3	1.3	0.2	0.2	0.2
Total Government	4.9	4.9	4.6	2.2	2.2	2.2	4.6	4.6	4.9	0.6	0.5	0.6
	Pierce			Polk			St. Croix			Eau Claire MSA		
	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02	Dec '03	Nov '03	Dec '02
Total Nonfarm	10.5	10.7	10.7	15.1	15.1	15.1	27.4	27.5	26.8	77.6	77.5	77.7
Const/Min'g/Nat. Resources	0.5	0.5	0.6	0.8	0.9	0.8	1.8	1.9	1.6	2.7	2.9	2.8
Manufacturing	1.1	1.1	0.8	3.7	3.7	3.8	5.5	5.5	5.8	10.2	10.1	11.3
Trade	0.9	0.9	1.2	2.0	2.0	2.0	4.5	4.4	4.3	13.8	13.6	13.0
Transportation & Utilities	0.4	0.4	0.4	0.3	0.3	0.3	1.0	1.0	1.0	3.0	3.0	2.9
Financial Activities	0.4	0.4	0.4	0.6	0.6	0.5	1.1	1.1	1.0	3.8	3.8	3.7
Education & Health Services	1.1	1.1	1.1	2.2	2.2	2.0	2.9	2.9	2.8	12.5	12.5	12.3
Leisure & Hospitality	1.4	1.4	1.3	1.2	1.2	1.3	3.4	3.4	3.1	7.0	7.0	7.1
Information/Prof. & Bus.Serv.	1.1	1.1	1.1	1.5	1.5	1.5	3.5	3.5	3.4	7.9	7.9	7.9
Other Services	NA	NA	NA	NA	NA	NA	NA	NA	NA	3.8	3.8	3.7
Total Government	3.7	3.9	3.7	2.9	2.8	2.8	3.8	3.7	3.9	12.9	12.9	13.0

Current month preliminary. Estimates based on March 2002 benchmark. Summing from unrounded numbers.

in health care and social services. Even as these reductions occurred, other employers added jobs and overall metro area employers added 100 jobs in December. The largest increase in jobs was with trade employers.

The more rural counties in the region did not get the boost in employment from holiday shoppers and in each of the seven non-metro counties the number of nonfarm jobs declined in December. Overall, there was a loss of 800 jobs in the non-metro counties but the majority of those reductions occurred as construction employers cut back for the winter months. The second highest job loss occurred as employers in leisure and hospitality reduced payrolls by 200 workers.

Compared to twelve months ago, however, there are over 1,000 more jobs in the non-metro counties. Even though manufacturing employment is down 500 jobs

from a year ago, employers in financial services, education and health services, and leisure and hospitality each added over 300 jobs since December 2002.

Total employment in West Central Wisconsin rose to 226,130 in a labor force of 238,800 in December. Even though the number of residents with jobs dropped by 1,150 from November to December it is over 6,600 stronger than twelve months ago.

The decline in employment in December did add to the number of unemployed in the region and the regional unemployment rate increased from 4.3 percent in November to 5.3 percent in December. One year ago the unemployment rate for West Central Wisconsin was 6.1 percent.

Some of the highest increases in unemployment rates in the state occurred in a few West Central counties. The highest rate increase in the state was in Pepin County where the unemployment rate rose from 3.8 percent in

November to 6.0 percent in December. Seven of the nine counties had an increase in unemployment rate of at least one percentage point.

In Chippewa County the rate increased from 4.5 percent in November to 6.1 percent in December. In Clark the rate rose from 5.0 to 6.5 percent; in Polk it increased from 4.9 to 6.3 percent; and in Pierce the rate rose from 3.7 to 4.8 percent. The December unemployment rate rose one percentage point in Barron to 6.3 percent and to 4.1 percent in Dunn. In St. Croix the rate rose 0.8 percentage point to 6.0 percent.

Unemployment rates will continue to rise in the next two months as more seasonal lay offs add to the number of unemployed in the region. By mid-January the number of residents in the nine-county region who filed a claim for unemployment compensation benefits increased to 9,045 from 6,665 in mid-December.



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